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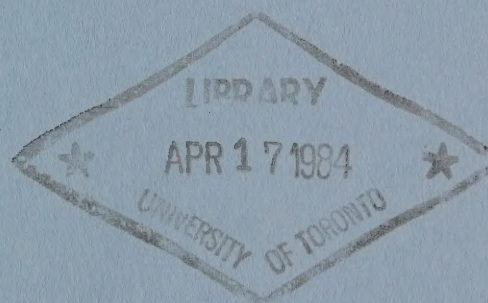
National Energy Board Reasons for Decision

In the Matter of Certificate of Public
Convenience and Necessity GC-65
held by
Trans Québec and Maritimes Pipeline Inc.

and

In the Matter of Section 20(3) of
the National Energy Board Act

March 1984



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(i)

Recital and Appearances

IN THE MATTER OF the National Energy Board Act and the Regulations made thereunder; and

IN THE MATTER OF Certificate of Public Convenience and Necessity No. GC-65; and

IN THE MATTER OF section 20(3) of the National Energy Board Act.

HEARD at Ottawa, Ontario on 23 January 1984.

BEFORE:

J.R. Hardie	Presiding Member
J. Farmer	Member
J. Trudel	Member

APPEARANCES:

H. Soloway, Q.C.	Trans Québec & Maritimes Pipeline Inc.
L. Leclerc	
C.K. Yates	Canadian Petroleum Association
Y. Brisson	Gaz Inter-Cité Québec Inc.
J.H. Farrell	The Consumers' Gas Company Ltd.
R. Meunier	Gaz Métropolitain, inc.
P.F. Scully	Northern and Central Gas Corporation Limited
J. Hopwood, Q.C.	NOVA, AN ALBERTA CORPORATION
J.M. Murray	TransCanada PipeLines Limited
P. McMillan	Union Gas Limited
J. Giroux	Attorney General for Québec
A.S. Hollingworth	Alberta Petroleum Marketing Commission
S.K. Fraser	National Energy Board
L. Meagher	

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Abbreviations and Definitions

APMC	Alberta Petroleum Marketing Commission
Board	National Energy Board
Consumers' Gas	The Consumers' Gas Company Ltd.
CPA	Canadian Petroleum Association
GC-64	Certificate of Public Convenience and Necessity No. GC-64 issued 21 March 1980 authorizing facilities from St-Lazare to Boisbriand
GC-65	Certificate of Public Convenience and Necessity No. GC-65 issued 16 May 1980 authorizing facilities from Boisbriand junction to Lévis/Lauzon
GICQ	Gaz Inter-Cité Québec Inc.
NEB	National Energy Board
NEB Act	National Energy Board Act
Northern and Central	Northern and Central Gas Corporation Limited
NOVA	NOVA, AN ALBERTA CORPORATION
TQM	Trans Québec & Maritimes Pipeline Inc.
TransCanada or TCPL	TransCanada PipeLines Limited

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Introduction and Background

Introduction

On 2 November 1983, the National Energy Board issued Order No. GH-2-83 setting down for public hearing the matters of the desirability of changing, altering or varying Certificate of Public Convenience and Necessity No. GC-65 and an application by Gaz Inter-Cité Québec Inc. for a review of the Board's 14 July 1983 decision not to direct TransCanada PipeLines Limited to provide maximum allowable operating pressure to GICQ at Sabrevois, Québec. The hearing commenced on 12 December 1983, at which time Trans Québec & Maritimes Pipeline Inc. requested an order adjourning those matters relating to Certificate GC-65 to be heard together with TQM's tolls application pursuant to Board Order No. RH-4-83. As a result of the Board's decision on this matter (Appendix I), that portion of the hearing dealing with Certificate GC-65 was adjourned.

By Order No. PO-2-GH-2-83 dated 22 December 1983, the Board indicated it would continue the public hearing on 23 January 1984 to consider the desirability of changing, altering or varying GC-65 and, if necessary, what changes should be made to that Certificate. The hearing took place as scheduled and lasted one day. The Panel of the Board which considered this matter on 23 January was different from that which dealt with the procedural question on 12 December. The membership was changed because another Panel of the Board had been designated to consider TQM's toll application in January, and it was felt that it would be expeditious to have that same Panel of the Board deal with both matters. These reasons for decision deal only with the matter of GC-65, the Board having issued separate reasons for decision dated January 1984 on GICQ's application for review respecting the delivery pressure at Sabrevois.

Background

In April 1980, the Board indicated that it was prepared to issue to TransCanada, subject to the approval of the Governor in Council, a certificate for the construction and operation of pipeline facilities from Boisbriand Junction to Lévis/Lauzon. Certificate GC-65, authorizing those facilities, was issued to TransCanada

on 16 May 1980. Certificate GC-64 had been previously issued to TransCanada for the construction and operation of facilities from St-Lazare to Boisbriand.

On 17 September 1981, the Board issued Order No. MO-5-81 authorizing the transfer of both GC-64 and GC-65 to TQM. The transfer authorized by Order No. MO-5-81 was effected on 7 January 1982.

The facilities authorized by GC-65 included mainline facilities from Boisbriand Junction to Lévis/Lauzon, as well as certain laterals and sublaterals and compression facilities, all as illustrated in Appendix II and more fully described in TransCanada's original application. Subsequent to the issuance of GC-65, the Certificate was amended by AO-I-GC-65 issued on 3 December 1981, to delete the sub-lateral to St-Jean. A copy of the Certificate as amended by AO-I-GC-65 is attached as Appendix III. In addition, certain modifications in the design and location of the facilities as authorized were approved by the Board pursuant to subcondition 2(2) of the Certificate. The principal modifications related to a change in the route of the mainline between Boisbriand junction and Yamachiche approved in July 1981 and a routing change approved in November 1981 that resulted in the construction of the mainline on the north shore of the St-Lawrence River between Trois-Rivières and Québec City instead of on the south shore as authorized. The river crossing at Québec City, which had been approved as part of a lateral to serve Québec City and the Saguenay and the Lac St-Jean areas, was not varied. It is envisaged that the facilities authorized by GC-65 will connect at Lévis/Lauzon with facilities to serve the Maritime Provinces as authorized by Certificate GC-68.

The construction of facilities by TQM did not proceed as originally expected. This was due, in part, to the National Energy Program Update of May 1982 in which the Government of Canada announced that it then would establish a "laterals fund" of \$500 million "up to their [then] current estimated cost" to pay for construction of laterals in the Province of Québec. Subsequent to the Update, the Government and GICQ entered into an Agreement in Principle whereby the Government agreed to finance and GICQ agreed to

construct and operate certain pipeline facilities in the Province of Québec. These facilities would serve some of the same market areas originally planned to be served by the facilities authorized by Certificate GC-65.

On 20 December 1982, the Board wrote to TQM expressing its concern that, in light of the agreement between the Government and GICQ, GC-65 might no longer contain an accurate description of the facilities to be constructed and operated by TQM. In its letter, the Board indicated that it was considering the variation of the Certificate and requested that TQM clarify its intentions with regard to the construction and operation of those laterals certificated under GC-65 which had not yet been constructed by TQM. By letter dated 12 January 1983, TQM indicated that there were certain matters still outstanding with respect to the facilities in question and that until those matters were satisfactorily resolved, TQM would not consent to any variation of GC-65. The Board advised TQM on 14 March 1983 that it did not propose to take further action at that time.

On 19 September 1983, the Board again wrote to TQM expressing concern as to the status of certain of the facilities authorized by GC-65 and requested TQM to clarify its intentions with regard to those facilities. By letter dated 19 October 1983, TQM responded that it had continuing concerns with respect to outstanding matters related to facilities covered by GC-65. The Company indicated that if the Board decided to allow recovery of certain costs associated with those facilities, TQM would see no reason not to consent to the variation of GC-65. In light of all the circumstances surrounding this matter, the Board, by Order No. GH-2-83, decided to hold a public hearing to hear submissions on the desirability of changing, altering or varying GC-65 and, if necessary, on what changes should be made to that Certificate.

The evidence adduced at the hearing indicates that the facilities authorized by GC-65 can be categorized as follows:

- (1) The facilities which have, to date, been constructed by TQM pursuant to GC-65, namely, the main-

line between Boisbriand Junction and Québec City, the laterals to serve the St-Jérôme, Louiseville, and Québec City West delivery points, and meter stations at St-Jérôme, Joliette, Berthierville, Louiseville, Trois-Rivières and Québec City West. TQM has also constructed, pursuant to other authorizations issued by the Board, the mainline between St-Lazare and Boisbriand Junction, laterals to serve the Boisbriand, Joliette and Trois-Rivières delivery points, and certain meter stations.

- (2) Laterals which are covered by GC-65 but which TQM no longer intends to construct in view of the fact that facilities to serve these areas have been built or will be built by GICQ pursuant to the Agreement in Principle between the Government and GICQ, namely, the Shawinigan/Grand-Mère lateral, the lateral to serve the Estrie area, the lateral to serve the Saguenay and the Lac St-Jean areas, the Québec east gate lateral and the lateral to serve Bécancour.
- (3) Facilities included in GC-65 which TQM no longer intends to construct and which are not specifically identified in the Agreement in Principle between the Government and GICQ, namely, the Lachute/Marelan lateral, the lateral from St-Jérôme to Mont-Rolland, the lateral to serve the Beauce region, the Breakeyville lateral, the Lévis/Lauzon lateral, the Nicolet lateral, the Lachenaie lateral, the St-Flavien lateral, the Crabtree lateral, the Berthierville lateral, the Donnacona lateral, all compression facilities, and meter stations originally associated with certain delivery points.
- (4) The St-Lawrence River crossing at Québec City, which was originally approved under GC-65 as part of the lateral starting at St-Nicolas on the south shore of the St. Lawrence River and serving the Québec City Saguenay and Lac St-Jean areas, and the facilities required to connect this crossing to the proposed GC-68 facilities at Lévis/Lauzon. TQM indicated that the river crossing at Québec City would form part of its mainline.

Issue of the Board's Jurisdiction

Although there was no disagreement between the parties as to the current and planned physical reality of the TQM system, there was a considerable difference of opinion as to the powers of the Board in respect of the matters before it.

Argument was divided on the issue of whether the Board has the jurisdiction to amend GC-65 by deleting therefrom any or all of the facilities that have not yet been constructed or will not be constructed by TQM. Generally, TQM, TCPL and NOVA argued that the Board lacked jurisdiction to so amend; Northern and Central, Consumers' Gas, GICQ, CPA, the APMC and the Attorney General for Quebec argued that the Board did have such jurisdiction.

The arguments revolve around the meaning of Sections 17 and 47 of the NEB Act.

The argument against the Board's jurisdiction is based on the premise that if GC-65 were altered to accurately reflect what has been or will be built by TQM, this alteration would amount to a revocation or rescission of the Certificate. Since Section 47 of the Act specifically covers the revocation or suspension of a certificate, the Board must, in accordance with accepted principles of statutory interpretation, act under that section and cannot act under any other provision of the Act, such as subsection 17(2) which gives the Board the power to "change, alter or vary" a certificate. Implicit in this argument, as advanced by counsel for TQM, is the view that the word "revoke" in Section 47 logically and necessarily applies not only to revocation of a certificate in its entirety but also to revocation of a certificate in part.

Whereas the only explicit qualification on the Board's power under subsection 17(2) is that no change, alteration or variation is effective until approved by the Governor in Council, the Board's jurisdiction under Section 47 is narrowed by the condition that no revocation order can be made unless there has been non-compliance with or a breach of a condition of the certificate and notice of alleged non-compliance or violation has been given to the holder of the certificate and he has been afforded an opportunity of being heard. Notwithstanding this, the Board may revoke or suspend a certificate upon the applica-

tion of or with the consent of the certificate-holder. Absent non-compliance or consent, the argument continues, the Board is without jurisdiction to revoke or rescind.

In support of the argument that it would be improper to use subsection 17(2) in the circumstances of this case, counsel for NOVA argued that any action which the Board might take to make GC-65 conform to the physical reality of the current and planned TQM system would not fall within the plain dictionary meanings of the words "change", "alter" or "vary". He also directed the Board to the case of *Rowley v. Petroleum and Natural Gas Conservation Board* [1943] 1 WWR 470 (Alta S.C.). In that case it was held that the word "vary" is comprehensive in meaning and the power to vary is not to be restricted to mere alterations of form as opposed to alterations of substance. It was counsel for NOVA's view, however, that the circumstances of that case were so different from the circumstances of the present case that the interpretation put on the word "vary" in the *Rowley* case could not apply in the TQM case.

The argument in favour of the Board's jurisdiction is essentially the converse of the argument summarized in the preceding three paragraphs. It rejects the premise that to change the certificate to make it reflect the reality of TQM's existing and planned system amounts to a revocation. Consequently, the Board can proceed to "change, alter or vary" under subsection 17(2) and need not use the more restrictive Section 47. In support of this position, counsel for CPA pointed out that the words "or part thereof" do not appear after the word "certificate" in Section 47 and that one can presume that Parliament did not intend them to be read into the section. Consequently Section 47 is only meant to cover the situation of a total revocation. If less than a total revocation is being contemplated, then the Board should look to, and in fact is governed by, subsection 17(2).

In support of the contention that the jurisdiction conferred by the word "vary" in subsection 17(2) is broad enough to allow the Board to modify GC-65 to fit new facts, counsel for CPA cited the *Rowley* case (which in his view could not be distinguished from the

present case), *The Consumers Association of Canada v. the Attorney General of Canada* [1978] 87 D.L.R. (3rd) 33 (F.C.T.D.) and *Re Rush v. the Township of Scugog* [1978] 92 D.L.R. (3rd) 143 (Ont. H.C.).

In support of the Board's jurisdiction to vary, counsel for Northern and Central argued that, on common sense grounds, the Board should not be precluded from doing its housekeeping and thereby insisting that certificates issued by it reflect reality.

Further, he argued that a certificate-holder should be obliged to seek an amendment to its certificate as soon as it realizes that it will be building something different from what is certificated.

This "good housekeeping" argument is one that was more or less made by those parties who argued that the Board has jurisdiction to amend the certificate to reflect the facilities built or to be built, in the sense that they all stated that not only did the Board have such jurisdiction but that it should exercise it.

Decision

It is the Board's view that GC-65 should reflect the physical reality of TQM's existing and planned system. Appendix IV contains a map which depicts this system as described by the witness for TQM. In order to attain this objective, it will be necessary to amend GC-65 so that it includes a description of only those facilities which the evidence demonstrates will now be constructed and operated by TQM pursuant to this Certificate. The Board does not believe that this amendment amounts to a revocation but rather that it is a variation. While the Board is of the view that the question of whether an amendment amounts to a revocation is one which must be decided on the particular facts of each case and while the Board does not consider itself to be bound in the exercise of its discretion by them, it is encouraged by the decisions cited to it during the hearing inasmuch as the case law reflects the Board's own view that the meaning of the word "vary" in subsection 17(2) should not be unduly restricted.

The Board will, therefore, pursuant to subsection 17(2) of the NEB Act, recommend to the Governor in Council that GC-65 be altered so that the description of the authorized facilities includes only the system already constructed by TQM and the planned mainline continuation of that system from the point where it currently ends to the point of interconnection with the proposed facilities certificated by GC-68.

In making this decision, the Board notes the requirement of subcondition 2(2) of GC-65 which stipulates that any changes to the system as now authorized - for example, changes in the design of the St-Lawrence River crossing - require the prior approval of the Board.

Recovery through tolls of any costs associated with facilities authorized by any certificate is dealt with by the Board under Part IV of the NEB Act.

Disposition

Having considered the evidence and submissions of all interested parties, the Board, pursuant to subsection 17(2) of the NEB Act, will recommend to the Governor in Council that Certificate of Public Convenience and Necessity No. GC-65, as amended, be further amended by replacing the operative part, indicated in Appendix III, and the subsequent paragraph with the following:

"NOW THEREFORE the Board, pursuant to Section 44 of the Act and subject to the conditions hereof, hereby issues this Certificate of Public Convenience and Necessity to Trans Québec & Maritimes Pipeline Inc. in respect of certain pipeline facilities for the transmission of natural gas, which facilities are more fully described in the application by TransCanada PipeLines Limited, together with all appurtenances, facilities, and other works connected therewith and thereto belonging, in the Province of Québec, from the Boisbriand Junction to Lévis/Lauzon, including laterals and sub-laterals, with the exception of the Lachenaie lateral, the Crabtree lateral, the Berthierville lateral, the Bécancour lateral, the St-Flavien lateral, the Lachute lateral and sub-lateral, the Shawinigan lateral, the Grand-Mère sub-lateral, the Nicolet lateral, the Breakeyville lateral, the Donnacona lateral, the Thurso, Plaisance and Marelان sub-laterals, the Mont-Rolland sub-lateral, the Lévis/Lauzon lateral, the Québec City east lateral, the Chicoutimi, Jonquière and Alma laterals, the Alma and Clermont sub-lateral, the Alma Junction to Roberval Junction portion of the Lac St-Jean lateral, the Desbiens and Roberval sub-laterals, the Beauce lateral, the Ste-Marie, St-Joseph and Beauceville sub-laterals, the Roberval Junction to Dolbeau portion of the Lac St-Jean lateral, the St-Félicien and Donohue sub-laterals, the extension into the Eastern Townships including the looping of the St-Lazare to St-Mathieu section of TransCanada's system and all laterals and sub-laterals east of St-Mathieu connected thereto, all compression facilities, the receipt meter stations at St-Lazare, St-Mathieu and St-Flavien, the sales meter stations to serve Lachenaie, Crabtree, Bécancour, Lachute,

Shawinigan, Grand-Mère, Nicolet, Breakeyville, Donnacona, Thurso, Plaisance, Marelان, Mont-Rolland, Lévis/Lauzon, Québec City east, Chicoutimi, Jonquière, Alma, Clermont, Desbiens, Roberval, St-Georges, Ste-Marie, St-Joseph, Beauceville, Dolbeau, St-Félicien, Donohue, and all meter stations connected to the extension into the Eastern Townships.

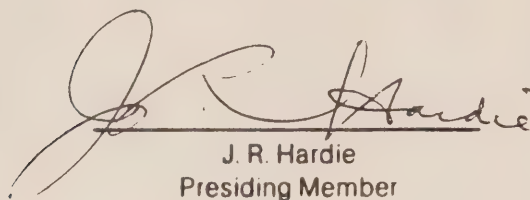
For greater clarity, the facilities in respect of which this certificate is issued are comprised of mainline facilities from Boisbriand Junction to Québec City, laterals to serve the St-Jérôme, Louiseville, and Québec City West delivery points, the crossing of the St-Lawrence River near Québec City, mainline facilities from St-Nicolas to a point east of Lévis/Lauzon, meter stations to serve the St-Jérôme, Joliette, Berthierville, Louiseville, Trois-Rivières and Québec City West delivery points, and sales taps to serve the St-Janvier and La Pérade delivery points.

The locations, design data, internal pressure and specifications of the pipeline facilities in respect of which this Certificate is issued, are more particularly described in the "non-export case" in the application by TransCanada, as amended, filed with the Board under File No. 1555-T1-83, and in the applications by TransCanada and Trans Québec & Maritimes Pipeline Inc., as approved by the Board, for variations in the specifications, drawings, and other information or data set forth in the said application by TransCanada, as amended, or as ordered, directed, or approved by the Board".

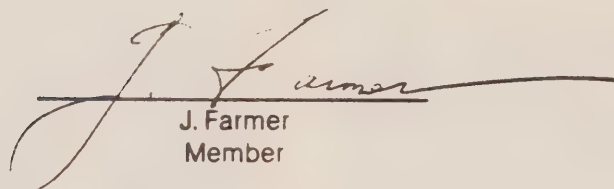
In view of the Board's recommendation that GC-65 be amended to include only those facilities which the evidence demonstrates have been or will be constructed and operated by TQM pursuant to the Certificate, certain of the conditions in GC-65 are no longer relevant. The Board, therefore, will recommend to the Governor in Council that GC-65, as amended by AO-1-GC-65, be further amended by deleting therefrom conditions 4, 5(iii) and 9*.

*These conditions are shown in Appendix III

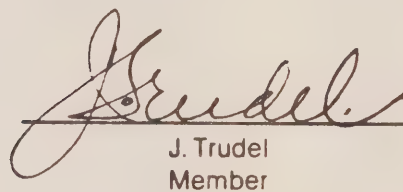
The foregoing constitutes our Reasons for Decision and our Decision on this matter.



J. R. Hardie
Presiding Member



J. Farmer
Member



J. Trudel
Member

Ottawa, Canada
March 1984

Appendix I

**Decision Rendered from the Bench
on 13 December 1983
on TQM's Request for an Adjournment**

Panel: Mr. J. Farmer
Presiding Member

Mr. J.R. Jenkins
Member

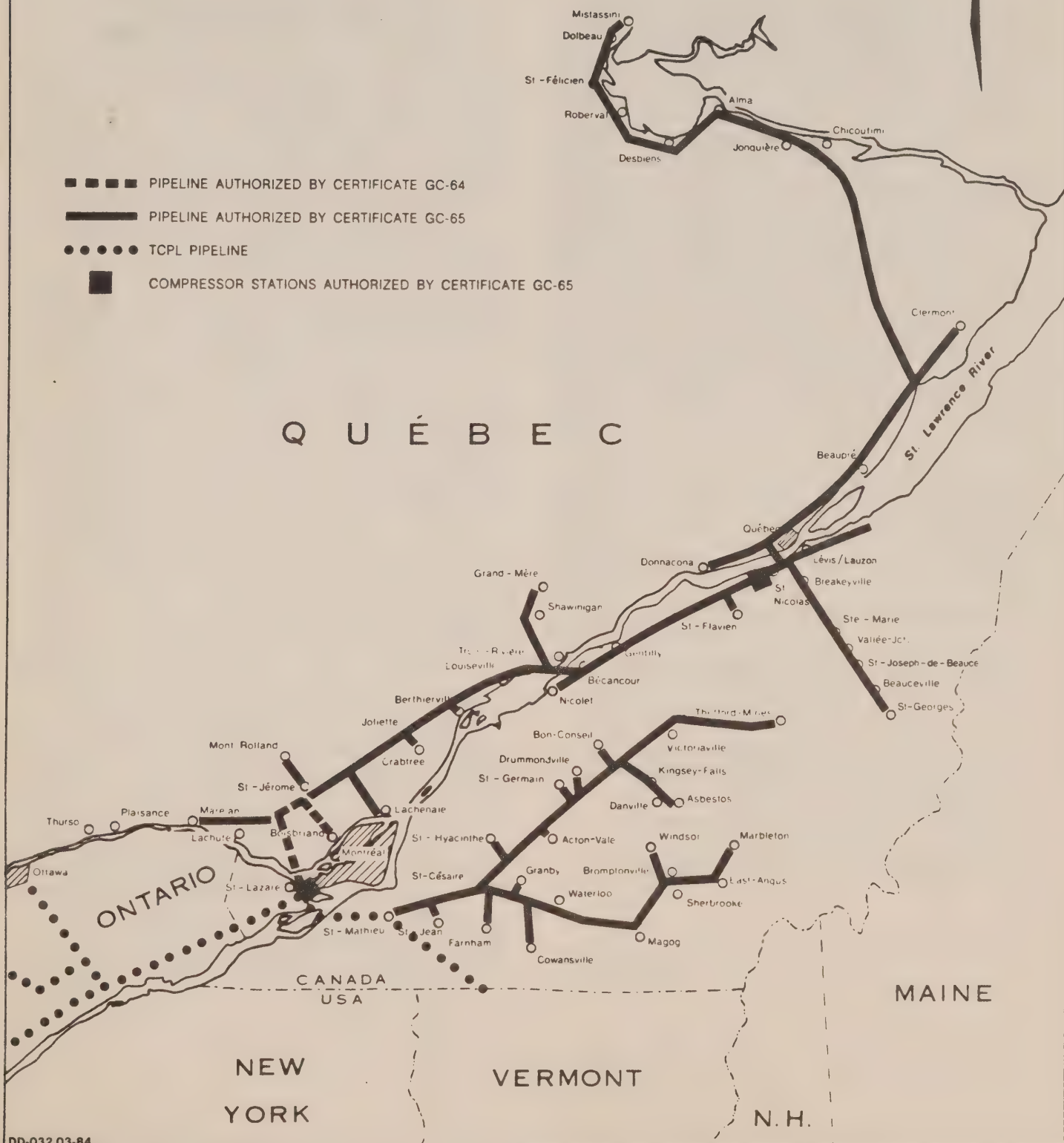
Mr. J.R. Hardie
Member

The Board has given careful consideration to the submissions and arguments of counsel for TQM and the counsel for other parties on the application by TQM for an Order adjourning the matters set out at paragraph 1(a) of Order No. GH-2-83, specifically, matters relating to Certificate of Public Convenience

and Necessity No. GC-65, to be heard together with TQM's toll application pursuant to Order No. RH-4-83.

In view of the fact that most parties did not object to the requested adjournment and in view of the fact that the decision to defer consideration of GC-65 matters until TQM's toll hearing in January 1984 would not materially prejudice any party, the Board hereby grants the requested adjournment.

The Board wishes to make it clear that in granting TQM's application the Board is not accepting TQM's arguments as to the jurisdiction of the Board to proceed with the consideration of an amendment to GC-65. Furthermore, the Board wishes to make it clear that in granting the adjournment the Board is not conceding that there is necessarily a relationship between the issuance or the holding of a certificate pursuant to Part III of the NEB Act and the recovery of costs through tolls set pursuant to Part IV.



**Certificate of Public Convenience
and necessity No. GC-65
as Amended by Order No. AO-1-GC-65**

IN THE MATTER OF an application by TransCanada PipeLines Limited (hereinafter referred to as "TransCanada") under the provisions of the National Energy Board Act (hereinafter referred to as "the Act"), for a Certificate of Public Convenience and Necessity, pursuant to Section 44 of Part III of the Act, filed with the Board under File No. 1555-T1-83.

WHEREAS an application dated April 4, 1978, as amended at various times during 1979, has been made to the National Energy Board (hereinafter referred to as "the Board"), under Part III of the Act, for a Certificate of Public Convenience and Necessity in respect of natural gas pipeline facilities;

AND WHEREAS a public hearing has been held commencing on the 25th day of September, 1979, and ending on the 30th day of January, 1980, in Ottawa, Ontario, with sessions having been held in Quebec City, Quebec, Halifax, Nova Scotia, and Fredericton, New Brunswick, at which TransCanada and all interested parties were heard;

AND WHEREAS Certificate of Public Convenience and Necessity No. GC-64 has been issued to TransCanada for the pipeline facilities located between St. Lazare and Boisbriand, in the Province of Quebec, as a result of an interim decision by the Board, dated February, 1980;

AND WHEREAS the Board, having heard TransCanada and all interested parties, and having taken into account all such matters as to it appear to be relevant, is satisfied that certain of the natural gas pipeline facilities applied for in the Province of Quebec from the Boisbriand Junction to Lévis/Lauzon, including laterals and sub-laterals, are and will be required by the present and future public convenience and necessity;

AND WHEREAS the Governor in Council, by Order in Council P.C. 1980-1284 dated the 15th day of May, 1980 has approved the issue of this certificate;

*NOW THEREFORE the Board, pursuant to Section 44 of the Act and subject to the conditions hereof, hereby issues this Certificate of Public Convenience and Necessity to TransCanada PipeLines Limited in respect of certain pipeline facilities, which are more fully described in the application, for the transmission of natural gas, together with all appurtenances, facilities, and other works connected therewith and thereto belonging, in the Province of Québec, from the Boisbriand Junction to Lévis/Lauzon, including laterals and sub-laterals, all to be connected to and form part of TransCanada's existing pipeline system, with the exception of the Marelán-to-Thurso portion of the Thurso lateral, the looping of the St. Lazare-to-St. Mathieu extension of TransCanada's system, the receipt meter station at St. Mathieu, the compression facilities which were not planned to be constructed before the operating year 1984-1985, and the sub-lateral to St. Jean, together with all works connected therewith.

The locations, design data, internal pressure and specifications of the pipeline facilities in respect of which this certificate is issued, are more particularly described in the "non-export case" in the application, as amended, all filed with the Board under File No. 1555-T1-83.

THIS CERTIFICATE is subject to the following terms and conditions:

1. The additional pipeline to be constructed pursuant to this certificate shall be the property of and operated by TransCanada.
2. (1) TransCanada shall cause the additional pipeline, in respect of which this certificate is issued, to be designed, manufactured, located, constructed and installed in accordance with those specifications, drawings and other information or data set forth in the

* Operative Part

- application as amended, or as ordered, directed, or approved by the Board, unless varied in accordance with sub-condition (2) hereof, and those that are otherwise filed with the Board.
- (2) TransCanada shall cause no variation in the specifications, drawings, other design data and requirements described in sub-condition (1) hereof to be made without prior approval of the Board.
3. With respect to each segment of the additional pipeline, TransCanada shall submit to the Board for its approval, prior to commencement of construction of that segment:
 - (a) final specifications for line-pipe, pipeline components and pipeline coating, along with final stress analysis, fracture control design and up-to-date specifications for materials,
 - (b) the construction schedule and detailed drawings of all river and lake crossings and typical crossing drawings for all other bodies of water to be crossed by the said pipeline,
 - (c) site-specific studies forming the basis of the final design for the stabilization of slopes at river crossings and other escarpments, and
 - (d) a copy of the population density count within 200m of either side of the pipeline for each 1.6 km of its length.
 4. TransCanada shall submit to the Board, prior to commencement of construction of the St. Flavien lateral, copies of gas supply contracts with la Société Québécoise d'Initiatives Pétrolières (SOQUIP).
 5. TransCanada shall file with the Board, concurrent with the filing of plans, profiles and books of reference, the following items:
 - (i) line lists for the proposed pipeline route;
 - (ii) a listing of all properties where it is anticipated that expropriation procedures will be required;
 - (iii) details of joint use of rights-of-way for the Eastern Townships system, and
 - (iv) the location of any mine, mining claim or borrow resources along the proposed route.
 6. Prior to the commencement of the construction of the additional pipeline, TransCanada shall submit for approval, reports containing the following information:
 - (i) an evaluation of the practicality of following existing transportation corridors to minimize the effect of the pipeline construction activities on agricultural land and sugarbush lots, and a description of any constraints which would preclude this; and
 - (ii) the detailed measures it proposes to implement each year to ensure that the contractors and their employees are fully cognizant of the environmental concerns and of the environmental procedures to be followed along the proposed pipeline route.
 7. Prior to the commencement of hydrostatic testing of any portion of the additional pipeline, TransCanada shall submit for approval, a report containing a description of the location of municipal, industrial and domestic water intakes in relation to water withdrawal sites and discharge to ensure that no damage is done to aquatic habitat, fish resources or water users downstream.
 8. TransCanada shall, unless otherwise authorized or ordered by the Board, implement or cause to be implemented all the policies, practices, recommendations and procedures for the protection of farmlands and the environment which are included in TransCanada's environmental reports, its Construction Specifications, its Environmental Procedures Handbook, or as otherwise adduced in evidence before the Board, and shall cause no changes to be made to the said policies, practices and procedures without the prior approval of the Board.
 9. TransCanada shall conduct noise level surveys at each compressor station during the first year after start-up under representative weather conditions and with the compressor station operating under normal load; and shall submit the results of these surveys to the Board to verify that noise emission does not exceed the level of 55dBA as measured at the station fence line.
 10. TransCanada shall, within six months of leave to open being granted, unless upon application by TransCanada a later day is fixed by the Board, submit a report satisfactory to the Board describing the results of implementation of the policies, practices, recommendations and procedures referred to in Condition 8 above; this report shall include:
 - (i) details of any deviation and
 - (ii) an assessment of the effectiveness of the said policies, practices, recommendations and procedures.
 11. TransCanada shall, both during and after the construction period, monitor the effects of the construction of the additional pipeline upon farmlands and the environment and shall submit reports satisfactory to the Board describing such effects; these reports shall be filed:

- (i) within one year of the date of leave to open being granted and
- (ii) prior to 1 November following the second complete agricultural growing season after leave to open being granted.

These reports shall include the results of the monitoring programs and the actions taken or which will be taken to prevent or mitigate any long-term effects of construction upon farmlands and the environment.

- 12. TransCanada shall, prior to commencement of construction, submit to the Board information showing that appropriate arrangements have been made for financing the additional pipeline.

- 13. With respect to each segment of the additional pipeline, TransCanada shall file with the Board prior to the commencement of construction of that segment a copy of the contract or contracts for the sale of natural gas in those areas to be served by the additional pipeline facilities.

- 14. TransCanada shall cause the construction and installation of the additional pipeline to be completed on or before 1 December, 1985, unless, upon application by TransCanada, a later date is fixed by the Board.

Certificate GC-65 was issued by the Board on 16 May 1980 and Amending Order AO-1-GC-65 was issued on 3 December 1981.

TQM FACILITIES EXISTING AND PLANNED

(AS OF MARCH 1984)

KILOMETRES
0 20 40 60 80 100



- TQM PIPELINE CONSTRUCTED PURSUANT TO CERTIFICATE GC-65
- TQM PIPELINE CONSTRUCTED PURSUANT TO OTHER
AUTHORIZATIONS ISSUED BY THE BOARD
- //// TQM PIPELINE PLANNED PURSUANT TO CERTIFICATE GC-65
BUT NOT CONSTRUCTED
- TCPL PIPELINE

Q U É B E C

